

April 2005



## HEALTHCARE COMPLIANCE + NETWORKING INC.

### CONTRACTING FOR BILLING SERVICES

The lifeblood of any healthcare practice is the ability to receive reimbursement for services provided – translated PROPER BILLING. The high costs of employee training and turnover, computer hardware/software requirements, and compliance program requirements, have led many healthcare providers to conclude that it is more cost effective to enlist outside billing professionals to do what they do best.

If you are thinking about outsourcing your billing tasks, we have the services and resources you need; but this is an important decision, so before you contract with a company...do a little homework.

Call around, search web sites, and ask colleagues to find out more about us and other billing professionals. You must match the needs of your practice to the billing agent's capabilities. Please feel free to call us with your questions and/or concerns, and consider the answers/comments to these questions when you talk with other companies and make your decision:

1. How quickly are charges processed after the information is received?
2. What billing system is being used? How long have they had the system? Are they using the latest version?
3. Which insurers are billed electronically?
4. How are denials handled?
5. How often are patient statements sent?
6. How are contacts with patients and insurance companies handled and documented?
7. Does the billing service have a compliance plan? Do they have billing policies and procedures that are HIPAA & OIG compliant?
8. What are the terms of the billing services contract? How will you be invoiced? What are the termination clauses? How are residual accounts receivables handled at termination?
9. What are the computer back-up protocols?
10. Are there any value-added services included in the service agreement, or any available from the billing agent? For example: administrative and reimbursement consulting, alerts about reimbursement trends, HIPAA and OSHA updates, etc.
11. Ask for references, and CALL THEM.
12. Ask about the reporting component of the software. Ours include hundreds of reports, but the list should at a minimum include:
  - a. Accounts Receivables/Aging Report
  - b. Charges, Adjustments, and Payments by Insurance Carrier Report
  - c. Productivity by Procedure Code Report
  - d. Daily/Monthly Transactions Report
  - e. Referring Physician Report

### IMPROVE YOUR REHAB PRACTICE

Is your management team struggling to maintain operations, feeling the symptoms of a decreasing practice or drop in the level of profitability? Is your practice losing money, yet your facility cannot handle the current volume of patients, let alone take on more? Consider analyzing the following areas of your practice:

1. Admissions Process – Is patient information properly collected before services are rendered (e.g. authorizations, eligibility criteria, etc.)?
2. Denials – What happens when you receive a denial? Is there follow-up? Are you taking the steps necessary to address reasons for denials and/or submit responses or missing documentation?
3. Documentation – Are progress notes and evaluations ADL driven? Proper documentation accelerates the payment process and minimizes denials.
4. No-Show Rate – Are patients charged for no-shows? This encourages patients to show up for their appointments or call in advance to reschedule.
5. Check your average modality per visit, your average visit per patient, your denial rate, etc. You may be shocked by what these numbers tell you about the efficiencies of your practice.
6. Examine your Outcome Report. Identifying the strengths or specialties of your practice will provide focus for marketing and growth.

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# news + updates

## THIS IS THE LAST HARDCOPY ISSUE

Beginning next quarter, which starts July 1, we will take advantage of Internet technology to deliver your newsletter electronically. Your next newsletter will arrive on your desktop via email as a PDF attachment. This format will allow you to save the document for future reference, forward it to other members of your staff, or print and distribute as many copies as needed for your office. Using this effective and convenient technology gives us the opportunity to provide timely communication, comply with the paper reduction act, and offers an added bonus. When we control our costs, we also help control yours!

To assure uninterrupted receipt of this informative newsletter, go ASAP to [www.hcan.net](http://www.hcan.net) and click on the *Feedback Form* link (in the left column). Type your information, and under the section for *Comments*, type the word "NEWSLETTER." HC+N will not sell or share your information with any other organization.

## REMEMBER THIS QUARTER!

Your Medicare Credit Balance Report is due 30 days after the end of each quarter. Failing to file this report will result in 100% withholding of your Medicare payments! You must file with assistance of your billing agent. You can download instructions and a copy of this report from our website: <http://www.hcan.net/documents.asp>. Look for the document titled, *Credit Balance Report*.

## LOOK INSIDE FOR:

- Contracting for Billing Services
- Improve your Rehab Practice

want more information?

Visit [www.hcan.net](http://www.hcan.net) or call 904.398.0506



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